

HB 148 -- WORKERS' COMPENSATION (Fitzpatrick)

COMMITTEE OF ORIGIN: Standing Committee on Property, Casualty, and Life Insurance

This bill authorizes, beginning January 1, 2016, a shareholder of an S corporation with at least 40% or more interest in the S corporation to individually elect to reject coverage under the Workers' Compensation Law by providing a written notice of the rejection to the S corporation and its insurer. Failure to provide notice to the S corporation must not be grounds for any shareholder to claim that the rejection is not legally effective. The shareholder may rescind the rejection in writing to the S corporation and its insurer. The rescission must entitle the shareholder only to the benefits which accrue on or after the date of the notice of rescission is received by the insurance company.